Naval Surface Warfare Center Budget Conference on Sustainment, Restoration and Modernization (SRM)

David Anderson

Installation and Equipment Office

SEA 04XI

March 2003

Agenda

- SRM definition
- Impact of Facility Sustainment Model
- Installation Readiness Reporting
- NSWC Recapilization Rate
- Projected SRM Requirement
- Budget Submission Time Frames
- Questions

Facility Investment Components

- Sustain the required inventory at an acceptable level through life-cycle based maintenance and repair.

- Improve/maintain readiness by restoring or replacing aged and damaged facilities, modernizing for the future, and demolishing excess and obsolete infrastructure.

- New construction to support new mission and quantity deficiencies.

Facility Sustainment Model (FSM)

- Facility Sustainment Model (FSM) is an OSD sponsored tool to calculate and project the sustainment requirement for an activity and fund source.
  - OSD goal is to fully fund sustainment requirement based upon this model.
  - O&M,N is currently being funded at 93% of model by Navy Resource Sponsor (N46) .

FSM (version 4.0) Sustainment Requirements

SURFACE NWCF		FY05	FY06	FY07	FY08	FY09	FY10
	NSWC CARDEROCK	8.02	8.18	8.33	8.49	8.65	8.81
	NSWC NAVSESS	6.72	6.85	6.98	7.11	7.25	7.38
	NSWC INDIAN HEAD	10.63	10.83	11.03	11.24	11.46	11.67
	NSWC DAHLGREN	6.65	6.78	6.91	7.04	7.18	7.31
	NSWC PANAMA CITY	2.66	2.71	2.76	2.81	2.87	2.92
	NSWC PT HUENEME	2.6	2.64	2.69	2.75	2.8	2.86
	NSWC CRANE	17.8	18.14	18.48	18.83	19.19	19.54
	NSWC CORONA	2.08	2.12	2.16	2.2	2.24	2.28
	SUBTOTAL	**57.16**	**58.25**	**59.34**	**60.47**	**61.64**	**62.78**
SURFACE OMN							
	NSWC CARDEROCK	0	0	0	0	0	0
	NSWC NAVSESS	**1.77**	1.4	1.43	1.46	1.49	1.52
	NSWC INDIAN HEAD	3.5	3.42	3.48	3.55	3.62	3.685
	NSWC DAHLGREN	1.92	1.94	1.98	2.02	2.05	2.09
	NSWC PANAMA CITY	1.61	1.64	1.68	1.71	1.74	1.78
	NSWC PT HUENEME	0	0	0	0	0	0
	NSWC CRANE	**0.15**	**0.11**	**0.04**	**0.04**	**0.05**	**0.015**
	NSWC CORONA	0	0	0	0	0	0
	SUBTOTAL	**8.95**	**8.51**	**8.61**	**8.78**	**8.95**	**9.085**

Amount in Millions

Version 5.0 schedule for release in March 03

DoD Facility Readiness Ratings

C1

Ready for All Missions: only minor deficiencies with negligible impact on capability to perform required missions

C2

Ready for Bulk of Missions:
some deficiencies with limited impact on capability to perform required missions

C3

Ready for Some Portions of Missions:
significant deficiencies that prevent performing some missions

C4

Not Ready for Missions:
major deficiencies that preclude satisfactory mission accomplishment

FY01 Naval Surface Warfare Center Installations Readiness Report

	OPS & TRAINING	MAINT & PROD	RDT&E	SUPPLY	MEDICAL	ADMIN	COM SPT & HSG	UTILITIES GROUND
SURFACE WARFARE								
NSWC CRANE	C-2	C-2	C-2	C-1	C-1	C-2	C-3	C-3
NSWC CARDEROCK	C-2	C-2	C-2	C-2	C-2	C-2	C-2	C-2
NSWC INDIAN HEAD	C-1	C-3	C-3	C-2	C-1	C-2	C-2	C-3
NSWC DAHLGREN	C-1	C-3	C-3	C-2	C-1	C-2	C-2	C-3
NSWC PHILADELPHIA	C-3	C-3	C-2	C-3	C-4	C-3	C-2	C-3
NSWC PANAMA CITY	C-4	C-4	C-3	C-3	C-2	C-4	C-3	C-2
NSWC PT HUENEME	C-2	C-2	C-2	C-2	N/A	C-2	C-1	C-1
NSWC CORONA	C-4	C-2	C-2	C-4	N/A	C-1	C-3	C-1

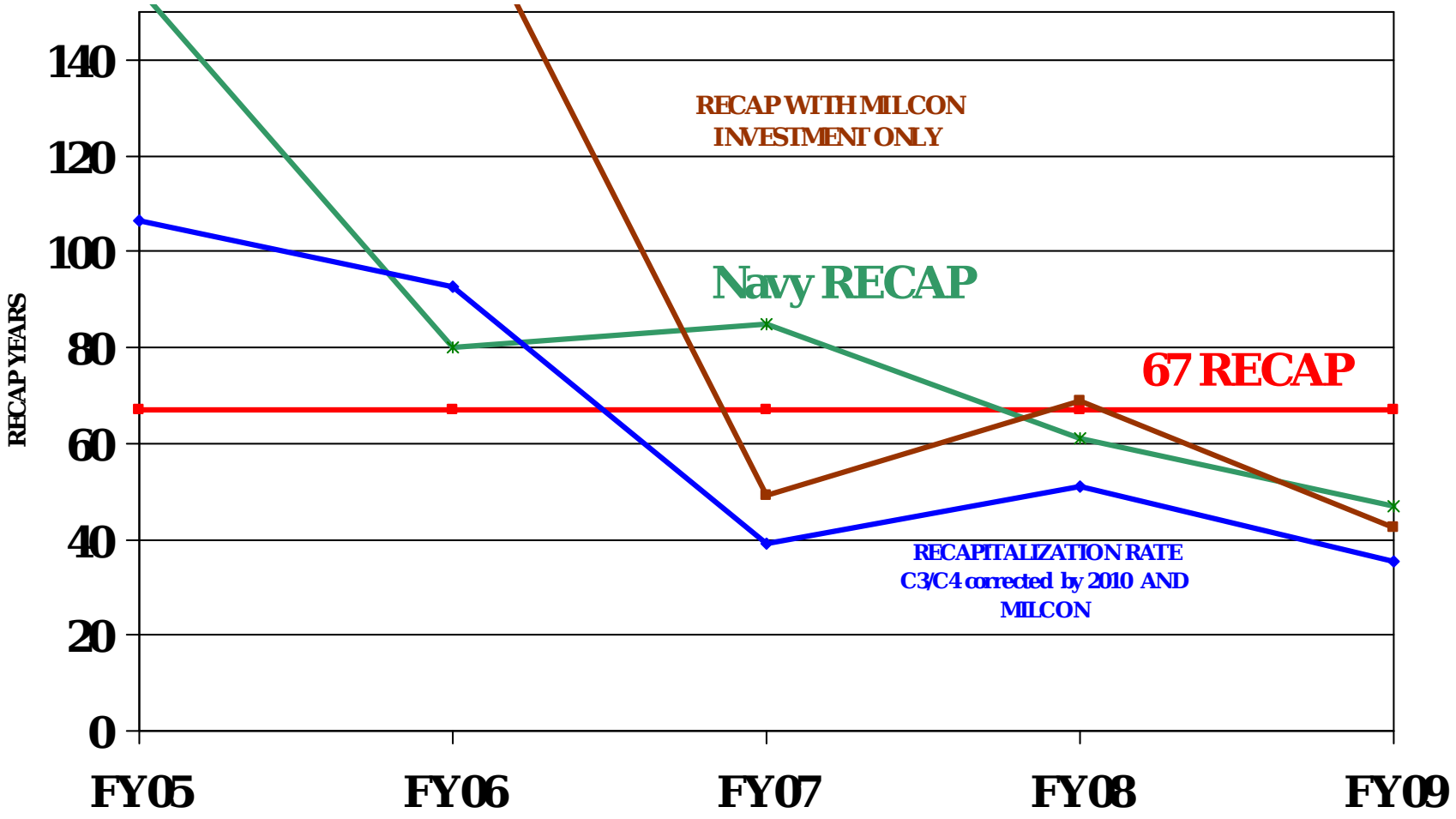
C-1	Only minor deficiencies with negligible impact on capability to perform required missions.
C-2	Some deficiencies with limited impact on capability to perform required mission.
C-3	Significant deficiencies that prevent it from performing some missions.
C-4	Major deficiencies that preclude satisfactory mission accomplishment.
N/A	Not applicable: do not have category codes or real property in this area.

FY02 Naval Surface Warfare Center Installations Readiness Report

	OPS & TRAINING	MAINT & PROD	RDT&E	SUPPLY	MEDICAL	ADMIN	COM SPT & HSG	UTILITIES GROUND
SURFACE WARFARE								
NSWC CRANE	C-1	C-1	C-1	C-1	C-3	C-2	C-3	C-1
NSWC CARDEROCK	C-2	C-4	C-2	C-4	C-3	C-4	C-4	C-3
NSWC INDIAN HEAD	C-2	C-3	C-3	C-2	C-1	C-2	C-2	C-3
NSWC DAHLGREN	C-1	C-4	C-3	C-1	C-1	C-2	C-2	C-3
NSWC PHILADELPHIA	C-4	C-1	C-4	C-3	C-4	C-3	C-2	C-4
NSWC PANAMA CITY	C-4	C-4	C-3	C-3	C-2	C-4	C-3	C-3
NSWC PT HUENEME	C-4	C-1	C-2	C-2	N/A	C-2	C-2	C-2
NSWC CORONA	C-2	C-1	C-2	C-4	N/A	C-4	C-1	C-2

C-1	Only minor deficiencies with negligible impact on capability to perform required missions.
C-2	Some deficiencies with limited impact on capability to perform required mission.
C-3	Significant deficiencies that prevent it from performing some missions.
C-4	Major deficiencies that preclude satisfactory mission accomplishment.
N/A	Not applicable: do not have category codes or real property in this area.

NAVAL SURFACE WARFARE CENTER RECAPITALIZATION RATE



Total SRM Requirement

$ in millions						
NSWC	**FY05**	**FY06**	**FY07**	**FY08**	**FY09**	**FY10**
NSWC Carderock						
Sustainement Requirement (NWCF)	8.02	8.18	8.33	8.49	8.65	8.81
Sustainement Requirement (OMN)	0.00	0.00	0.00	0.00	0.00	0.00
RM Requirement (67 years)	5.34	5.45	5.57	5.70	5.82	5.95
Total	13.36	13.63	13.90	14.19	14.47	14.76
NAVSESS						
Sustainement Requirement	6.72	6.85	6.98	7.11	7.25	7.38
Sustainement Requirement (OMN)	**1.77**	1.4	1.43	1.46	1.49	1.52
RM Requirement (67 years)	6.52	6.66	6.81	6.96	7.11	7.27
Total	15.01	14.91	15.22	15.53	15.85	16.17
NSWC Indian Head						
Sustainement Requirement	10.63	10.83	11.03	11.24	11.46	11.67
Sustainement Requirement (OMN)	3.5	3.42	3.48	3.55	3.62	3.685
RM Requirement (67 years)	14.79	15.11	15.45	15.79	16.13	16.49
Total	28.92	29.36	29.96	30.58	31.21	31.85
NSWC Dahlgren						
Sustainement Requirement	6.65	6.78	6.91	7.04	7.18	7.31
Sustainement Requirement (OMN)	1.92	1.94	1.98	2.02	2.05	2.09
RM Requirement (67 years)	7.60	7.77	7.94	8.11	8.29	8.47
Total	16.17	16.49	16.83	17.17	17.52	17.88
NSWC Panama City						
Sustainement Requirement	2.66	2.71	2.76	2.81	2.87	2.92
Sustainement Requirement (OMN)	1.61	1.64	1.68	1.71	1.74	1.78
RM Requirement (67 years)	2.90	2.97	3.03	3.10	3.17	3.24
Total	7.17	7.32	7.47	7.62	7.78	7.94

Total SRM Requirement Continued

$ in millions						
NSWC	**FY05**	**FY06**	**FY07**	**FY08**	**FY09**	**FY10**
NSWC Crane						
Sustainement Requirement	17.8	18.14	18.48	18.83	19.19	19.54
Sustainement Requirement (OMN)	**0.15**	**0.11**	**0.04**	**0.04**	**0.05**	**0.015**
RM Requirement (67 years)	11.78	12.04	12.30	12.57	12.85	13.13
Total	29.73	30.29	30.82	31.44	32.09	32.69
NSWC Port Hueneme						
Sustainement Requirement	2.54	2.64	2.69	2.75	2.80	2.86
Sustainement Requirement (OMN)	0.00	0.00	0.00	0.00	0.00	0.00
RM Requirement (67 years)	2.52	2.58	2.64	2.69	2.75	2.81
Total	5.06	5.22	5.33	5.44	5.55	5.67
NSWC Coronia						
Sustainement Requirement	2.08	2.12	2.16	2.2	2.24	2.28
Sustainement Requirement (OMN)	0.00	0.00	0.00	0.00	0.00	0.00
RM Requirement (67 years)	1.27	1.30	1.33	1.36	1.39	1.42
Total	3.35	3.42	3.49	3.56	3.63	3.70
NSWC Total						
Sustainement Requirement	57.10	58.25	59.34	60.47	61.64	62.78
Sustainement Requirement (OMN)	8.95	8.51	8.61	8.78	8.95	9.09
RM Requirement (67 years)	52.72	53.88	55.06	56.27	57.51	58.78
Total	**118.77**	**120.64**	**123.01**	**125.52**	**128.10**	**130.65**

Activity: _____
Schedule 1

FACILITIES AND EQUIPMENT:
SUSTAINMENT/RESTORATION & MODERNIZATION SCHEDULES

1.

The purpose of these schedules is to:

a. Display planned facility maintenance, repair and minor construction costs. Also displayed is maintenance and repair of major equipment.

b. Ensure that critical R&M backlog projects are given priority over all other projects, especially minor construction.

c. Ensure that sufficient maintenance and repair funds are budgeted to reduce existing critical backlog to negligible by the end of the fiscal year and to correct deficiencies contributing to a C3/C4 rating in the Installation Readiness Reporting System (IRRS).

d. Ensure that projects not included in the most recent Annual Inspection Summary (AIS) as critical backlog are budgeted only in exceptional situations.

e. Ensure that expense for cranes, service craft, railroad rolling stock and other major equipment maintenance and repair are kept separate from facility real property expenses.

TOTAL BACKLOG (as of 30 Sep 2001)

Processes are classified as critical backlog reduction in Schedule 2 only if so reported by the last AIS prior to award. The carryover expensing of critical projects will continue to be classified as critical backlog reduction.

2.

Total NWCF AIS critical backlog: $_____K
Total NWCF Defferable backlog (PRV): $_____K
Total backlog as percent of PRV: _____%

Amounts attributable to various nondeferrability criteria defined in NAVSEAINST 11014.1 and the total critical backlog as reported in the AIS for the last full fiscal year are:

1. Loss of Mission $_____K
2. Life or Death Safety $_____K
3. Catastrophic Environmental $_____K
4. Quality of Life $_____K

3.

_____ _____
PWO (Signed) Comptroller (Signed)

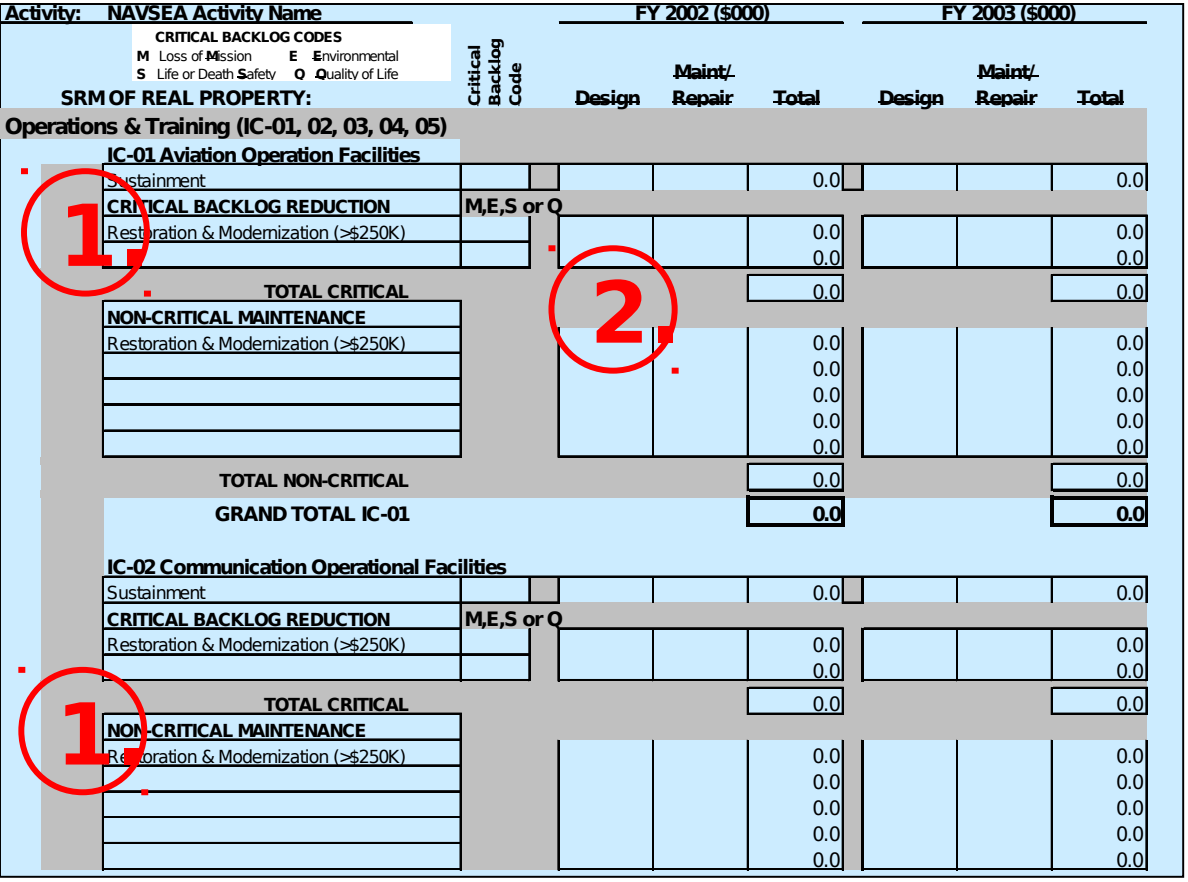
SCHEDULE 1

1. Identifies purpose of schedules.

2. Emphasizes budgeting for elimination of “Critical” AIS Backlog and the correction of deficiencies rated C3/C4 in the IRRS system.

3. Requires Public

Sustainment, Restoration and Modernization (S



Activity: NAVSEA Activity Name

CRITICAL BACKLOG CODES
M Loss of Mission E Environmental
S Life or Death Safety Q Quality of Life

SRM OF REAL PROPERTY:	Critical Backlog Code	FY 2002 ($000) Design	Maint/ Repair	Total	FY 2003 ($000) Design	Maint/ Repair	Total
Operations & Training (IC-01, 02, 03, 04, 05)							
IC-01 Aviation Operation Facilities							
Sustainment				0.0			0.0
CRITICAL BACKLOG REDUCTION	M,E,S or Q						
Restoration & Modernization (>$250K)				0.0			0.0
				0.0			0.0
TOTAL CRITICAL				0.0			0.0
NON-CRITICAL MAINTENANCE							
Restoration & Modernization (>$250K)				0.0			0.0
				0.0			0.0
				0.0			0.0
				0.0			0.0
				0.0			0.0
TOTAL NON-CRITICAL				0.0			0.0
GRAND TOTAL IC-01				**0.0**			**0.0**
IC-02 Communication Operational Facilities							
Sustainment				0.0			0.0
CRITICAL BACKLOG REDUCTION	M,E,S or Q						
Restoration & Modernization (>$250K)				0.0			0.0
				0.0			0.0
TOTAL CRITICAL				0.0			0.0
NON-CRITICAL MAINTENANCE							
Restoration & Modernization (>$250K)				0.0			0.0
				0.0			0.0
				0.0			0.0
				0.0			0.0
				0.0			0.0

1

2

1

SCHEDULE 2

1. Requests critical and non-critical maint by 8 IRRS Fac Codes (associated ICs are shown)

2. Provide Project(s) for support of SRM efforts of $250K or greater.

Maintenance ONLY - NO janitorial, NO grounds ke

Sustainment, Restoration and Modernization (S

Schedule 2 automatically completes 2a

tivity:		FY 2002 ($000)	FY 2003 ($000)
		TOTAL by IC	TOTAL by IC
OPERATIONS & TRAINING			
IC-01	Aviation Operation Facilities		
	Sustainment	0.0	0.0
	Restoration & Modernization		
	Critical	0.0	0.0
	Non-Critical	0.0	0.0
	TOTALS	0.0	0.0
IC-02	Comm Operational Facs		
	Sustainment	0.0	0.0
	Restoration & Modernization		
	Critical	0.0	0.0
	Non-Critical	0.0	0.0
	TOTALS	0.0	0.0
IC-03	Waterfront Operational Facs		
	Sustainment	0.0	0.0
	Restoration & Modernization		
	Critical	0.0	0.0
	Non-Critical	0.0	0.0
	TOTALS	0.0	0.0
IC-04	Other Operational Facilities		
	Sustainment	0.0	0.0
	toration & Modernization		
	Critical	0.0	0.0

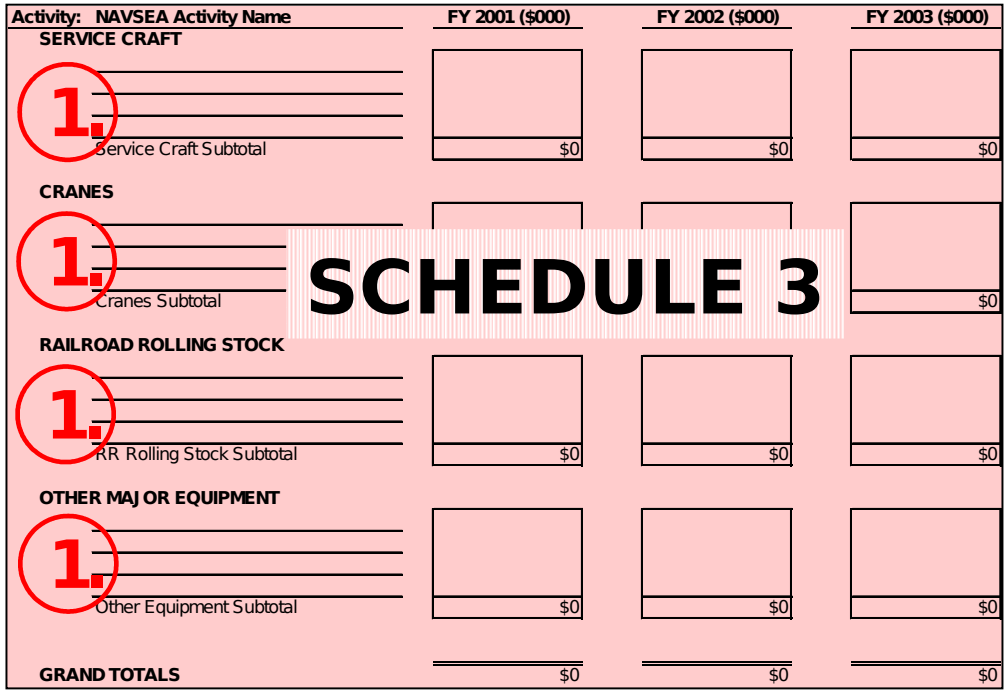
Activity: NAVSEA Activity Name

CRITICAL BACKLOG CODES
M Loss of Mission E Environmental
S Life or Death Safety O Quality of Life

SRM OF REAL PROPERTY:	Critical Backlog Code	FY 2002 ($000) Design	Maint/ Repair	Total	Des		
Operations & Training (IC-01, 02, 03, 04, 05)							
IC-01 Aviation Operation Facilities							
Sustainment				0.0			
CRITICAL BACKLOG REDUCTION	M,E,S or O						
Restoration & Modernization (>$250K)				0.0			
				0.0			
TOTAL CRITICAL				0.0			
NON-CRITICAL MAINTENANCE							
Restoration & Modernization (>$250K)				0.0			
				0.0			
				0.0			
				0.0			
				0.0			0.0
TOTAL NON-CRITICAL				0.0			0.0
GRAND TOTAL IC-01				0.0			0.0
IC-02 Communication Operational Facilities							
Sustainment				0.0			0.0
CRITICAL BACKLOG REDUCTION	M,E,S or O						
Restoration & Modernization (>$250K)				0.0			0.0
				0.0			0.0
TOTAL CRITICAL				0.0			0.0
NON-CRITICAL MAINTENANCE							
Restoration & Modernization (>$250K)				0.0			
				0.0			0.0
				0.0			0.0
				0.0			0.0
				0.0			0.0

Provides summary total

Sustainment, Restoration and Modernization (S



Activity: NAVSEA Activity Name	FY 2001 ($000)	FY 2002 ($000)	FY 2003 ($000)
SERVICE CRAFT			
1.			
Service Craft Subtotal	$0	$0	$0
CRANES			
1.			
Cranes Subtotal			$0
RAILROAD ROLLING STOCK			
1.			
RR Rolling Stock Subtotal	$0	$0	$0
OTHER MAJOR EQUIPMENT			
1.			
Other Equipment Subtotal	$0	$0	$0
GRAND TOTALS	$0	$0	$0

1. Identifies expenditures for maint of:

Service Craft

Cranes

Railroad rolling stock

Other Capital Investment Equipment (Class 3 & 4) over 100K

SRM Budget Time Frames

- NAVSEA SRM Reviews 8-10April 2003
- IRRS Submission October 2003

Backup

NSWC C1 NWCF Restoration & Modernization Investment Requirement

	OPS & TRAINING	MAINT & PROD	RDT&E	SUPPLY	MEDICAL	ADMIN	COM SPT & HSG	UTILITIES GROUND
SURFACE WARFARE								
NSWC CRANE		11.97						2.86
NSWC CARDEROCK	2.04	0.46	8.25					6.46
NSWC INDIAN HEAD	1.2	4	6					4
NSWC DAHLGREN	0.207	2.134	16.907					3.185
NSWC PHILADELPHIA		0.025	6.32					
NSWC PANAMA CITY	7.28	0.5						1.78
NSWC PT HUENEME	0.37	0.1	3.92					
NSWC CORONA		1.09						0.55
Total	**11**	**20**	**41**	**0**	**0**	**0**	**0**	**19**

C-1	Only minor deficiencies with negligible impact on capability to perform required missions.
C-2	Some deficiencies with limited impact on capability to perform required mission.
C-3	Significant deficiencies that prevent it from performing some missions.
C-4	Major deficiencies that preclude satisfactory mission accomplishment.
N/A	Not applicable: do not have category codes or real property in this area.

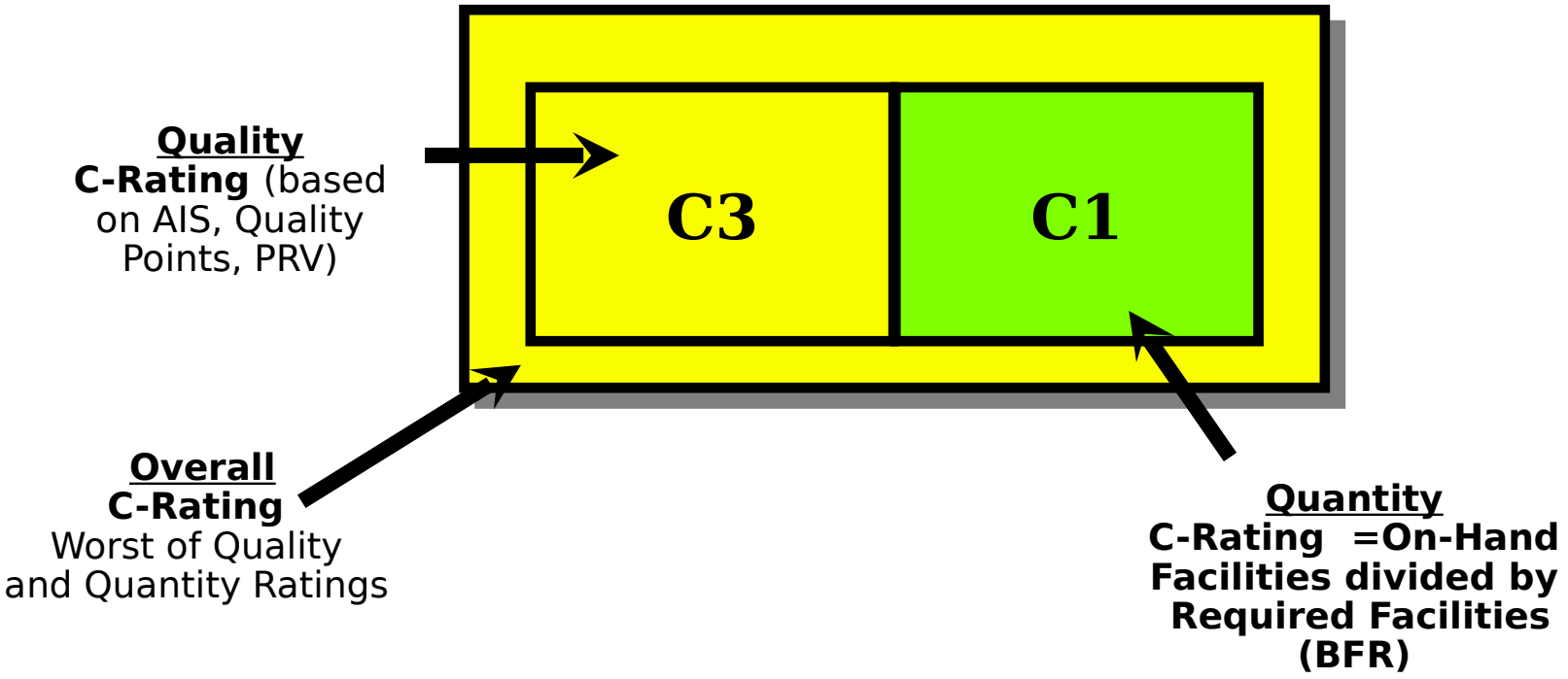
NSWC C1 O&MN Restoration & Modernization Investment Requirement

	OPS & TRAINING	MAINT & PROD	RDT&E	SUPPLY	MEDICAL	ADMIN	COM SPT & HSG	UTILITIES GROUND
SURFACE WARFARE								
NSWC CRANE	0.004						0.55	
NSWC CARDEROCK								
NSWC INDIAN HEAD								
NSWC DAHLGREN	0.55		7.72				2.77	0.87
NSWC PHILADELPHIA	20.03							1.77
NSWC PANAMA CITY	2.81						0.29	
NSWC PT HUENEME								
NSWC CORONA								
Total	**23**	**0**	**8**	**0**	**0**	**0**	**4**	**3**

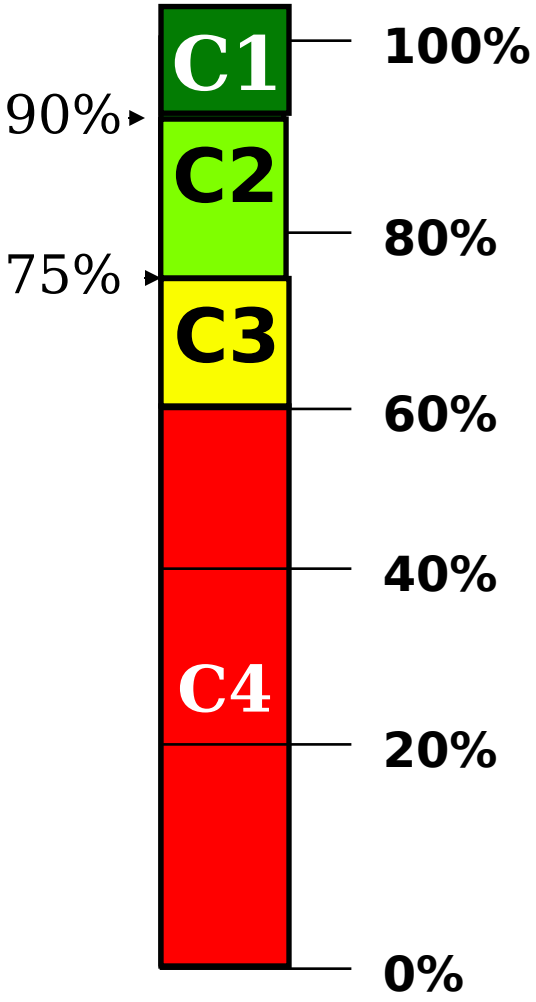
C-1	Only minor deficiencies with negligible impact on capability to perform required missions.
C-2	Some deficiencies with limited impact on capability to perform required mission.
C-3	Significant deficiencies that prevent it from performing some missions.
C-4	Major deficiencies that preclude satisfactory mission accomplishment.
N/A	Not applicable: do not have category codes or real property in this area.

How does it calculate

- Looks at quality based upon mathematical model and quantity based upon existing assets and BFR.



IRRS: Quality C-Ratings Explained



Percentages are of facilities within a FAC (or Basic Category, Category Group or Facility Class) rated as above.

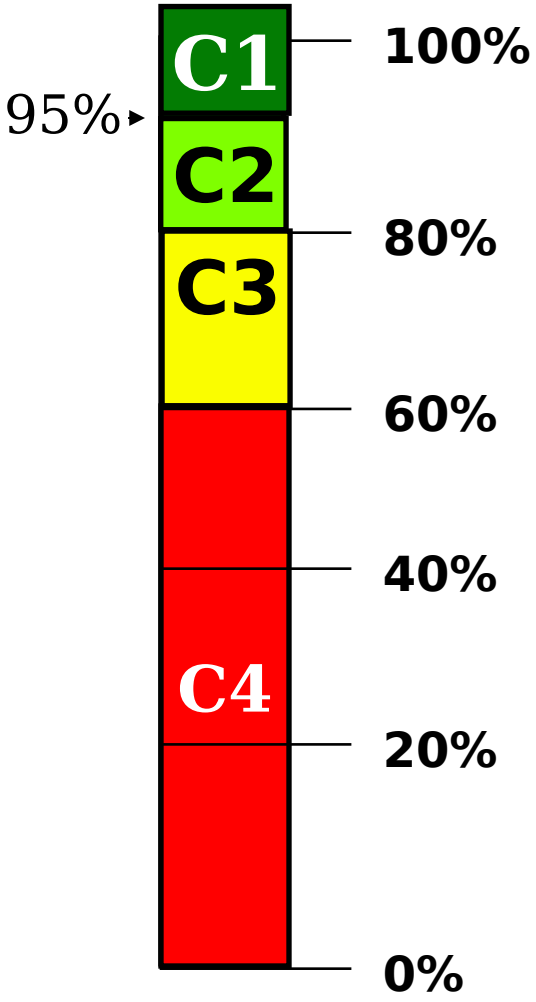
Individual facilities are rated Good, Fair or Poor, then rolled up and scored as a group.

FCI <5%

5%<FCI<10%

FCI >10%

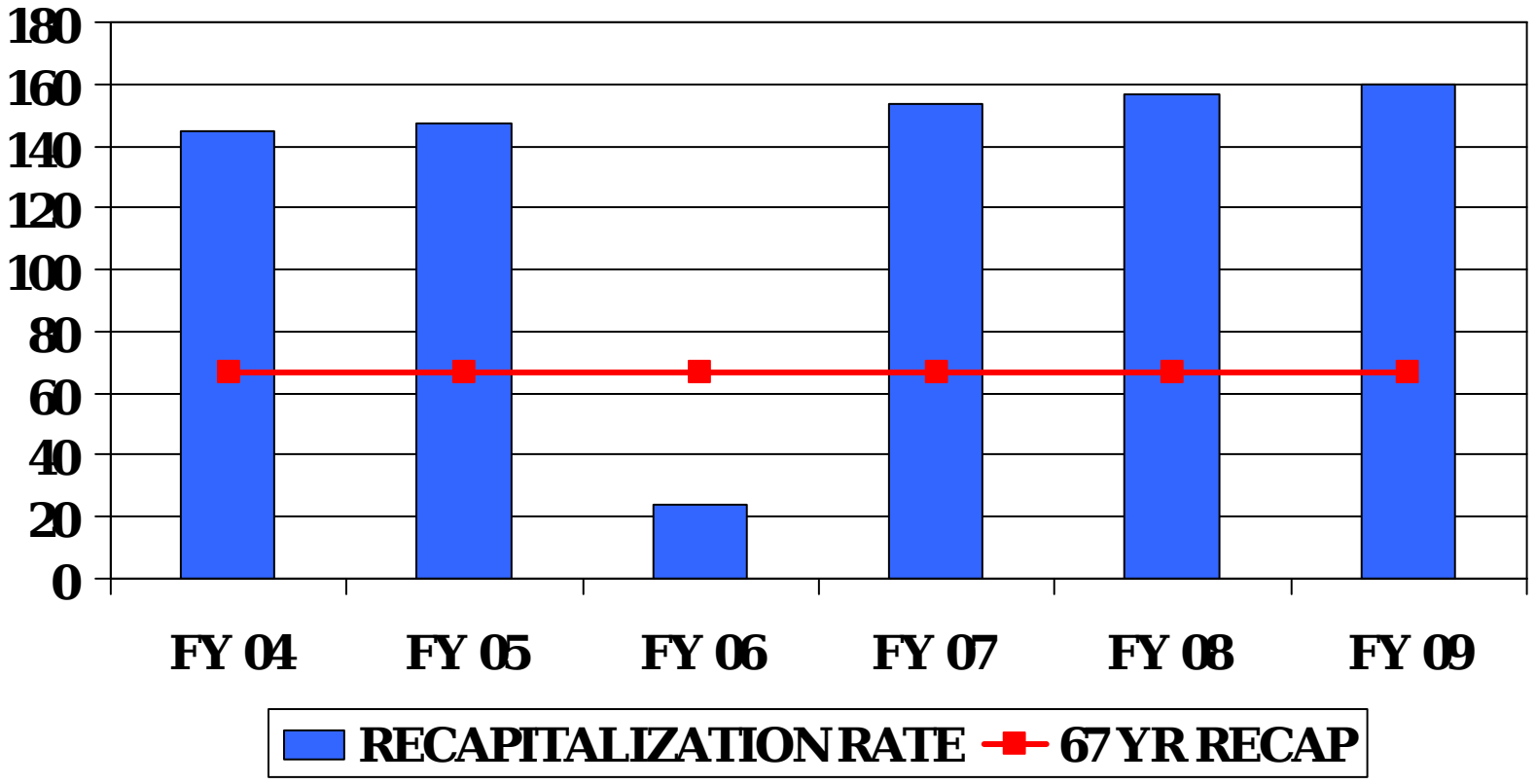
Quantity C-Ratings
(% of Facility Requirement



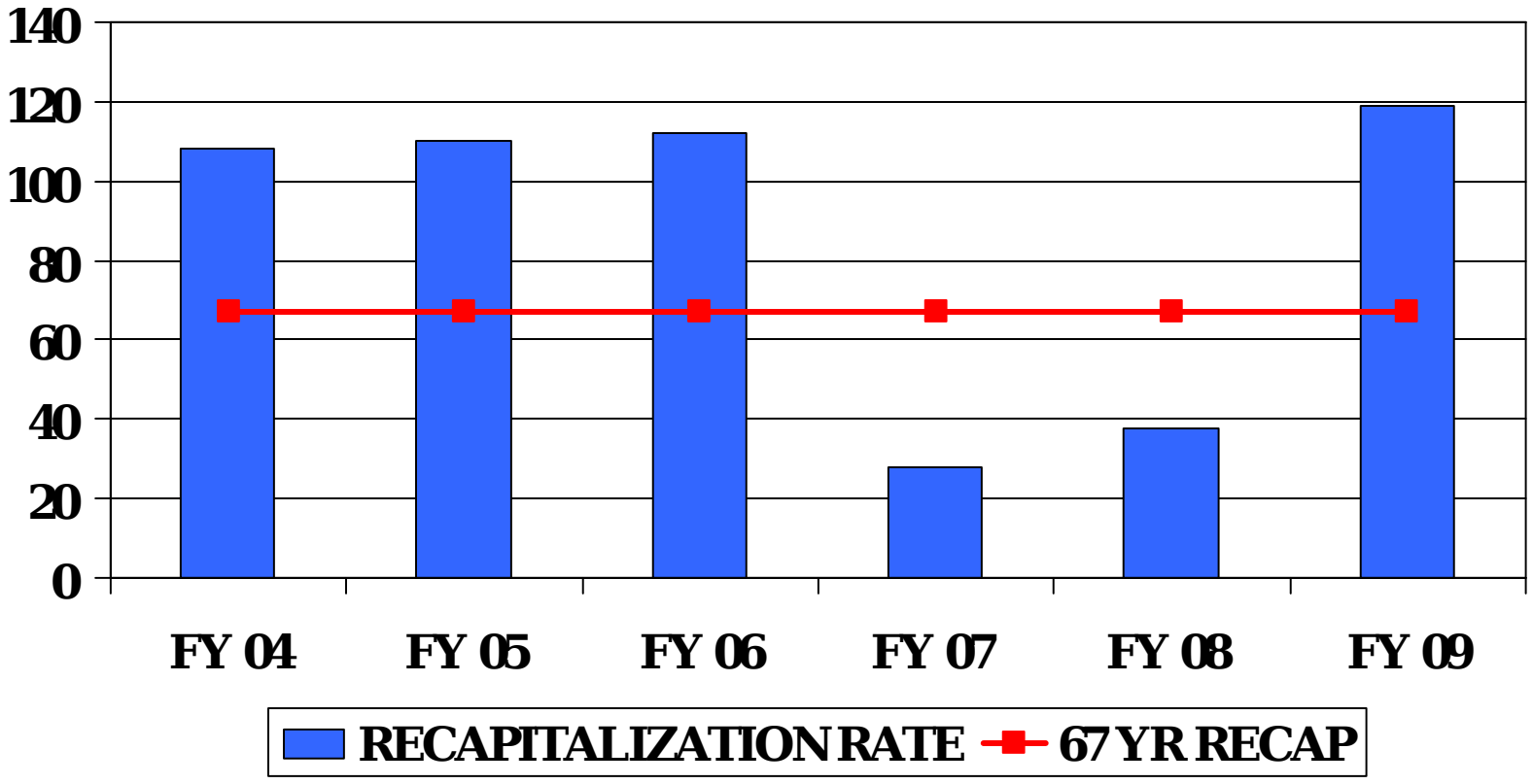
Quantity C-Rating : On-Hand Facilities (NFADH) / Required Facilities (BFRs)

Information if based upon Reporting UIC not Maintenance UIC

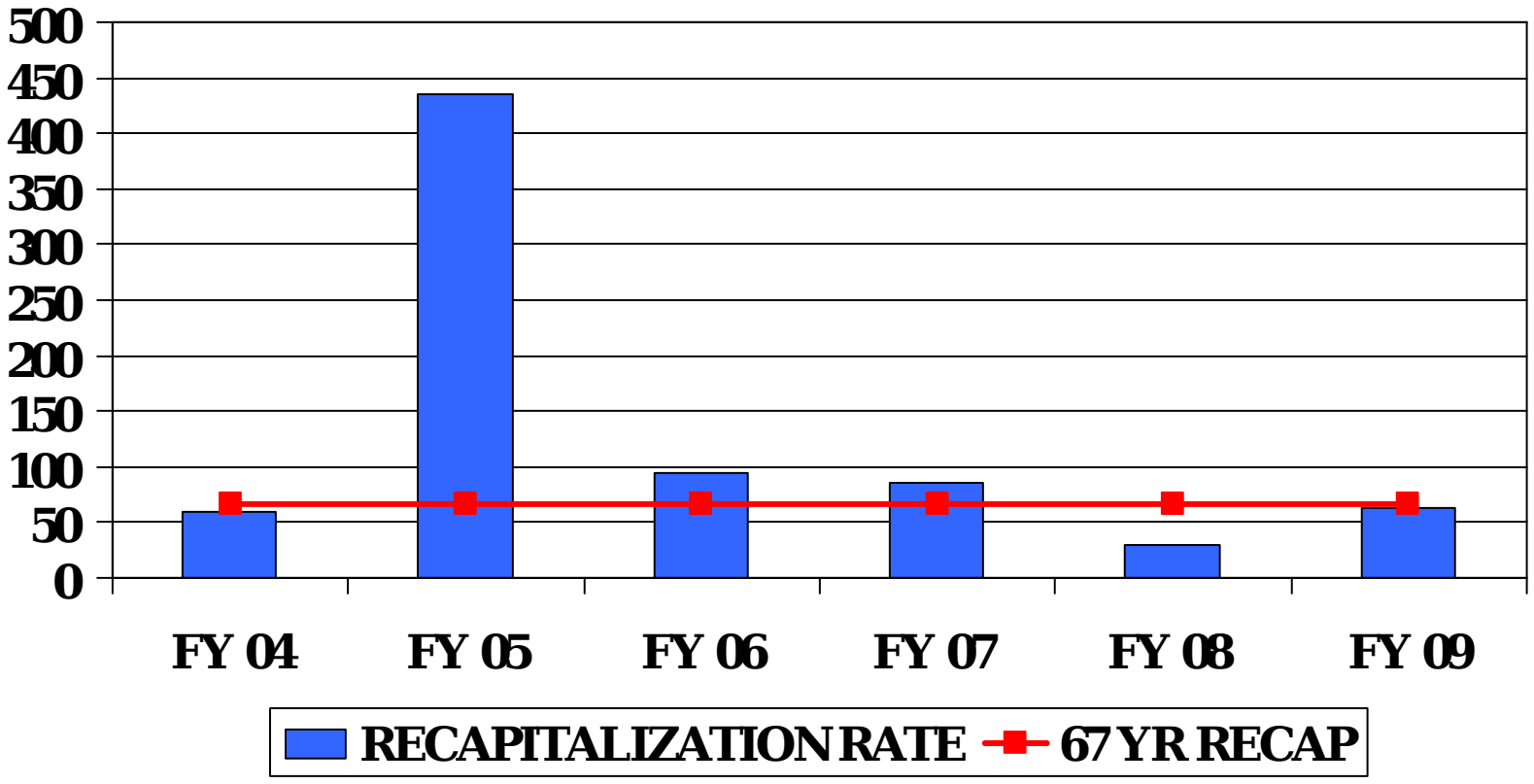
Recap NSWC Carderock



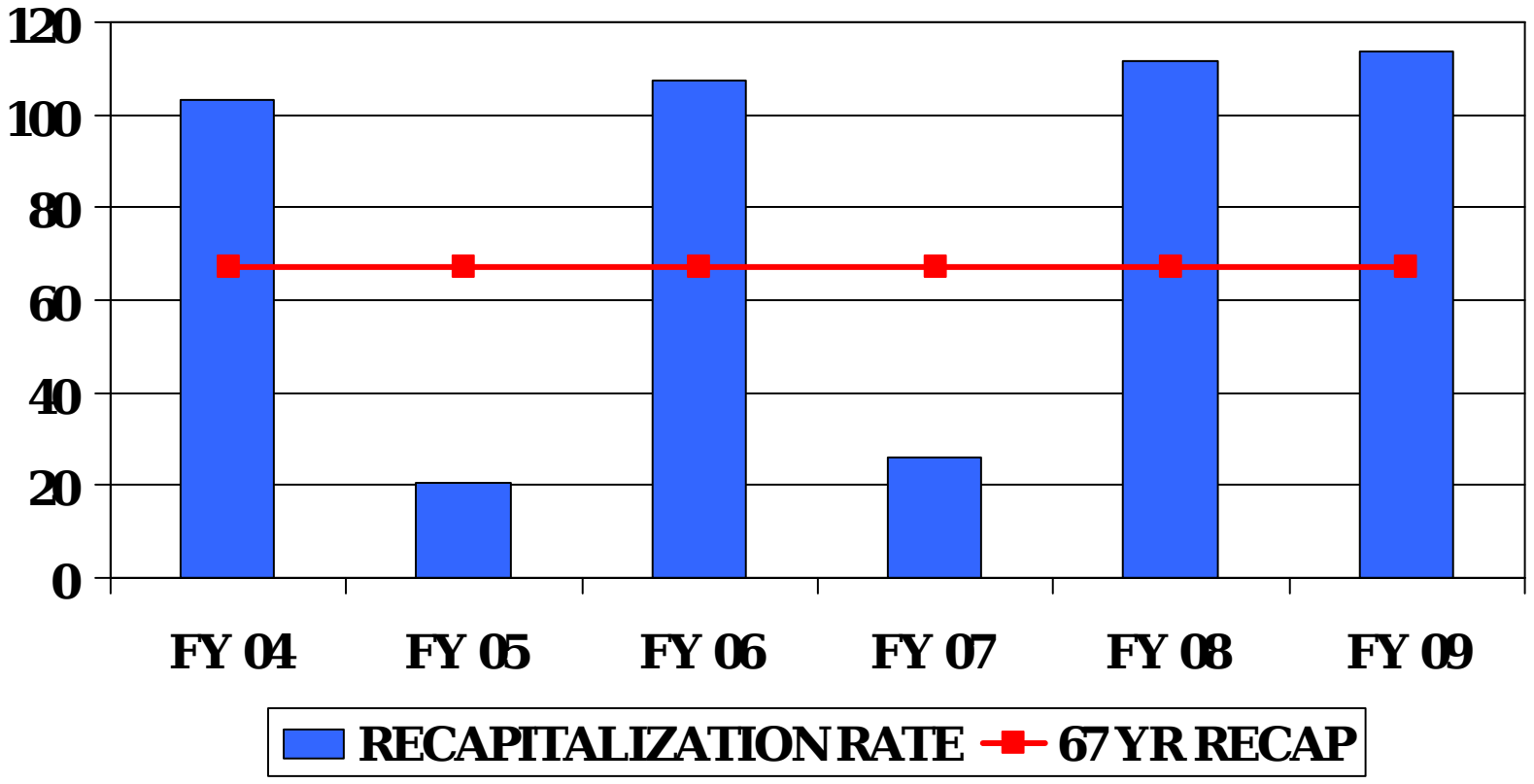
NAVSESS RECAP



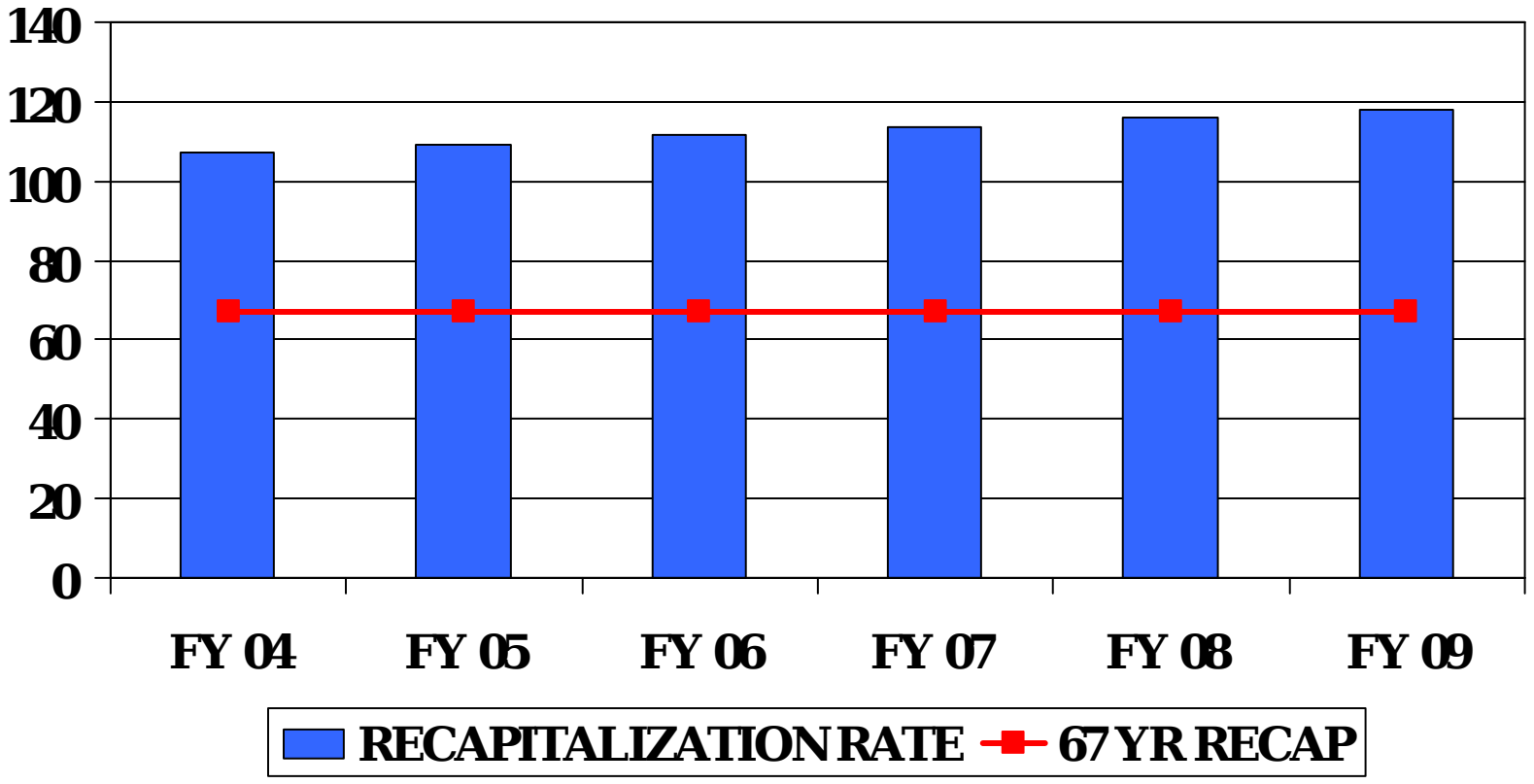
Indian Head RECAP



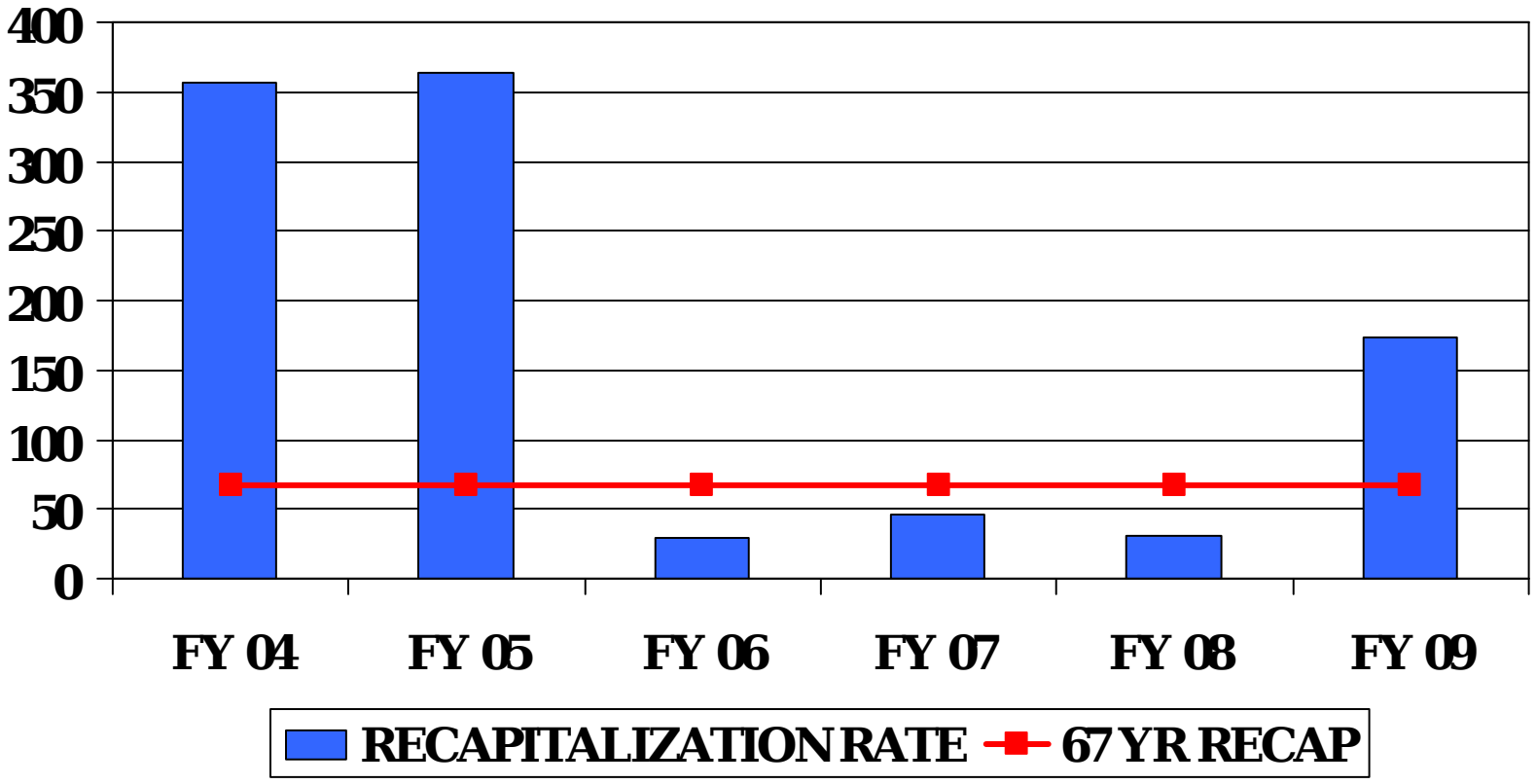
Dahlgren RECAP



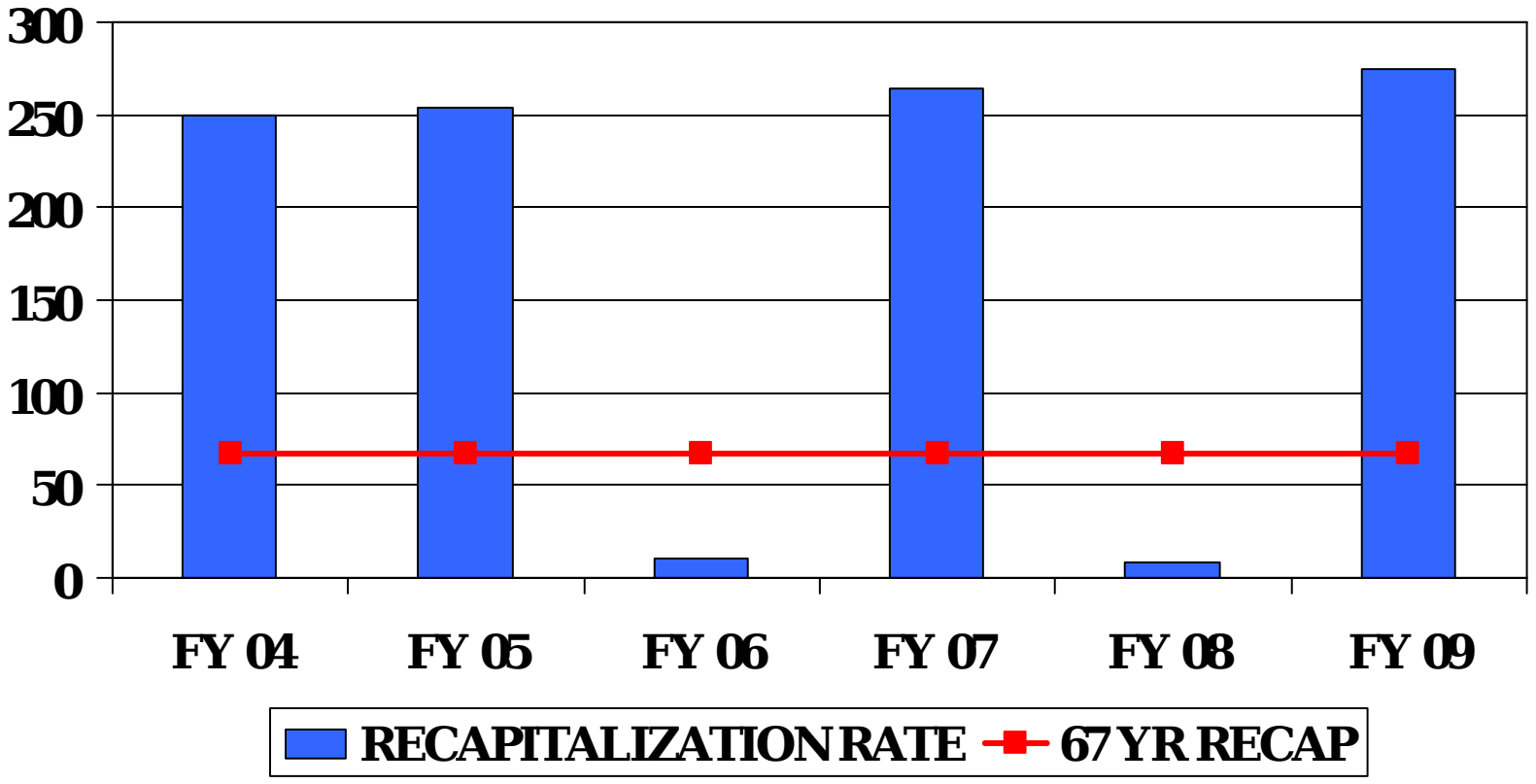
Panama City RECAP



Crane RECAP


400
350
300
250
200
150
100
50
0
FY 04
FY 05
FY 06
FY 07
FY 08
FY 09
RECAPITALIZATION RATE
67 YR RECAP

Pt Hueneme RECAP



Corona RECAP